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**COUNCIL COMMITTEE CONSULTANT ANALYSIS**  
LU&H 06-01

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<u>Agenda Item #</u>	<u>Description</u>
5	Workshop on Redevelopment Restructuring

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RECOMMENDATION

Following Committee discussion and input, refer to the Independent Budget Analyst for further review and recommendations to be presented at a future Land Use and Housing Committee meeting.

BACKGROUND

On June 14, 2005 Councilmembers Toni Atkins and Tony Young distributed a memo requesting that the Community and Economic Development Department be restructured with input from stakeholders and committee members. On July 20, 2005 the Public Services and Neighborhood Services Committee (PS&NS) approved a draft work plan to accomplish this task.

The City Manager returned to the PS&NS Committee on September 16, 2005 to provide an update and offer three options for further review:

- 1) Enhance the Existing Structure of the Redevelopment Division
- 2) Create an Independent City Agency
- 3) Merge with the Housing Commission

The PS&NS Committee accepted the report with direction to staff to form a working group comprised of CCDC and SEDC staff and report back to committee with redevelopment structure options. The City Manager also indicated they would gather public input including Project Area Committees and community groups and bring back a more detailed analysis of each option.

Public meetings were held on October 27, 2005 and November 17, 2005. It is also my understanding that Clarion Associates was hired to create best management practices for the division should it remain in its present structure. The Mayor's office has the results of both the public meetings and the Clarion report.

Also, the Strong Mayor Ballot Initiative did not specify how the structure of the Redevelopment Agency and the Housing Commission should operate. It is to be maintained or restructured during the

transition, with final approval from City Council.

Today's hearing is a workshop to discuss these issues and get direction from the committee on how they envision CE&D and the Redevelopment Agency in the future.

### WORKSHOP

Three presentations will be made for the LU&H Committee:

- Betsy Morris, CEO of the San Diego Housing Commission
- Michael D. Jenkins, Esq., Office of Marie Burke Lia
- Sherm Harmer, Co-Chair of the San Diego Regional Chamber Housing Committee

Presenters will remain at the meeting to continue the discussion as a panel so that members of the committee can ask questions.

In addition to the comments and recommendations by the panelists, committee members may want to consider thinking about and discussing the following items:

- Ways to Improve the Existing Structure of the Redevelopment Agency and Division
- Combine Community and Economic Development with Housing Commission
- Create New Entity for Redevelopment
  - CCDC Model
  - Housing Commission Model

#### *Questions to consider:*

- *Allow permitting powers?*
  - *Allow planning powers?*
  - *Separate departments within entity by area or council district?*
- Consider Pilot Program to a Lesser Scale

The Committee may want to consider how other large cities organize their redevelopment departments:

### **Long Beach**

In the City of Long Beach, redevelopment activities are overseen by a board of appointees established by the City Council. This Redevelopment Agency Board is separate from the City Council and handles all redevelopment activities in the City. The Agency Board is made up of seven members appointed by the Mayor and approved by the City Council. Three are selected from nominations submitted by the Project Area Committees. Four are nominated by the Mayor. After approval by the City Council, the Board Members serve four year terms. The City Manager hires the Executive Director.

### **Los Angeles**

In the City of Los Angeles, a board of seven commissioners appointed by the Mayor and confirmed by City Council oversees the CRA/LA. An Administrator appointed by the Board directs the staff. Under an "Oversight Ordinance", adopted in 1991, every action of the CRA is subject to City Council approval.

### **Sacramento**

The Sacramento Housing and Redevelopment Agency is a Joint Powers Authority created as a public agency by the City and County of Sacramento. It is the lead public agency and public developer for the City and the County regarding affordable housing, public housing and redevelopment projects and issues. Members of the Commission are appointed to serve four-year terms. Six members are appointed by the Sacramento County Board of Supervisors and five are appointed by the Sacramento City Council. The Executive Director is appointed by the Commission.

#### **San Jose**

The San Jose Redevelopment Agency (SJRA) is a public, non-profit organization and is governed by the San Jose City Council who serves as the Redevelopment Agency Board. Also, it is made up of 22 project areas, covering approximately 25% of the City and producing more tax-increment than any other redevelopment agency in California. The City Manager hires the Executive Director.

#### **San Francisco**

The San Francisco Redevelopment Agency is an entity legally separate from the City and County of San Francisco. Seven Commissioners are appointed by the Mayor and approved by the Board of Supervisors to govern the Agency. The Commission makes all policy determinations for the implementation of the Agency's programs. The Commission also serves as the official advisory body for the disbursement of San Francisco's affordable housing funds. The Mayor hires the Executive Director.

#### **CONCLUSION**

The restructuring of redevelopment was first discussed as part of the Fiscal Year 2006 budget and has evolved over two committee meetings and public forums. It is the intent today to receive input from the panel, the public and committee members about how they envision the future of the Redevelopment Agency.

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